be pleased to state:

(a) whether it is a fact that most of rural banks in the country are performing well and rural banks employees associations throughout the country *i.e.* All India Gramin Bank Workers Organisation have quite often been demanding to unify them and establish National Rural Bank of India;

(b) if so, whether it is also a fact that a large number of Members of Parliament have also made a similar request; and

(c) if so, the details thereof and by when Government propose to set up National Rural Bank of India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The financial results for the year 2000-01 indicate that the Regional Rural Banks (RRBs) are on the path of recovery. Several employees union/ associations including All India Gramin Bank Workers Organisation have been demanding to establish National Rural Bank of India. Similar requests have also been received from some Members of Parliament.

(c) The issue of merger of all RRBs into a National Rural Bank of India was considered by the Government along-with other alternative models for reviving the RRBs and it was decided to revamp RRBs on a "Stand alone" basis by way of infusion of additional capital.

Disposal of cases by Settlement Commission

2966. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) whether out of 1729 applications filed before the Settlement Commission during 1994-95 to 1998-99, only 624 were disposed of and 1105 applications were pending as on 31st March, 1999;

(b) if so, what is the latest figure;

(c) whether no time limit is prescribed for disposal of cases by the Commission with the result that the final settlement of cases is much delayed defeating its very objective;

(d) if so, the reasons therefor; and

(e) the steps being taken to correct the situation on both the counts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) 2306 applications were filed before the Settlement Commission during the period 1994-95 to 1998-99. Prior to this period the pendency was 2369 applications. During the period 2782 applications were disposed. 1893 applications were pending for disposal as on 31-3-1999.

(b) As on 1.4.2001, there were 1608 cases pending for final disposal.

(c) and (d) The reason for delay include delayed reports from the filed formations of the Income-tax Department and request by the applicant for adjournment of cases fixed for hearing.

(e) The Commission has taken following steps for settlement of cases:

(i) holding meetings with the concerned Chief Commissioner of Income-tax to expedite the Reports.

(ii) Camping by Benches of the Commission at different stations; and

(iii) Reallocating the work among the four Benches of the Commission to increase disposal.

Income-tax Returns of Trusts and Institutes

2967. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of the trusts and institutions which are not filing income tax returns;

(b) whether the irregular grant of exemptions resulting in short levy of income tax of Rs. 743 lakh in 28 cases in four metro cities in the year 1998-99 has been noticed;

(c) if so, the reasons therefor; and